



# ***OPNAV N41 OPN-8 Perspective***

***Fleet Logistics Support  
Improvement Conference (FLSIC)  
14 March 2002***

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OPNAV N412**

# ***Agenda***

- **OPNAV N412 Roles and Responsibilities**
- **OPN-8 Requirements...FY02 Over Time**
- **OPN-8 Requirements & Funding**
- **Outfitting Issues/Concerns**
- **Recommendations**

# ***OPNAV N412 Roles & Responsibilities***

- **Assessment Sponsor for APN-6, OPN-8, WPN-6**
  - **Spares Baseline Assessment Memorandum...primary process for spares requirements assessment**
  - **Assessed spares “bill” passed over to Resource Sponsors**
    - ✓ ***Sponsor Program Proposal...weigh all bills...make tradeoffs***
    - ✓ ***Programming guidance...current - maintain PresBud-03 funding levels***
  - **Advocacy role...ensure adequate funding is programmed based on guidance**

# ***OPNAV N412 Roles & Responsibilities***

- **Appropriation Sponsor for all spares**
  - **Resource Sponsor focus is out-years...FY04-09**
    - ✓ ***FY02-03 funding locked in place two years previously***
  - **OPNAV advocate for near-year focus**
    - ✓ ***Track budget developments for spares impacts...end item funding often increased without matching spares plus-up***
    - ✓ ***Assist with Above Core/Unfunded Requirements Lists and supplemental funding requests***
    - ✓ ***Provide “friend of the court” opinions on budget marks***

# ***OPN-8 Requirements...FY02 Over Time***

<b>(TY \$M)</b>	<b><u>POM-02</u></b>	<b><u>PR-03</u></b>	<b><u>POM-04</u></b>
<b>Interim</b>	<b>\$137.2</b>	<b>\$135.0</b>	
<b>\$149.7</b>			
<b>Outfitting*</b>	<b><u>\$68.4</u></b>	<b><u>\$60.0</u></b>	
<b><u>\$107.1</u>**</b>			
<b>Total</b>	<b>\$205.6</b>	<b>\$195.0</b>	
<b>\$256.8</b>			

**\*Site COSAL Maintenance breakdown**

**POM-02 - \$21M    PR-03 - \$23M    POM-04 - \$35M**

**\*\*POM-04 includes \$30M requirement for No Money File**

# ***OPN-8 Requirements & Funding***

<b>TY \$M</b>	<b>FY02</b>	<b>FY03</b>	<b>FY04</b>	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>
<b>PR-03 Assessment</b>	<b>\$195</b>	<b>\$233</b>	<b>\$241</b>	<b>\$261</b>	<b>\$264</b>	<b>\$259</b>
<b>POM-04 Requirement</b>	<b>\$257</b>	<b>\$250</b>	<b>\$299</b>	<b>\$279</b>	<b>\$312</b>	<b>\$326</b>
<b>RAD VII Funding</b>	<b>\$176*</b>	<b>\$173**</b>	<b>\$211</b>	<b>\$217</b>	<b>\$235</b>	<b>\$247</b>
<b>Delta (+/-)</b>	<b>(\$81)</b>	<b>(\$77)</b>	<b>(\$88)</b>	<b>(\$62)</b>	<b>(\$77)</b>	<b>(\$79)</b>
<b>Percent Funded</b>	<b>68%</b>	<b>69%</b>	<b>71%</b>	<b>78%</b>	<b>75%</b>	<b>76%</b>
<b>Carry Forward</b>	<b>\$0</b>	<b>\$81</b>	<b>\$158</b>	<b>\$246</b>	<b>\$308</b>	<b>\$385</b>
<b>Total Revised Rqmt</b>	<b>\$257</b>	<b>\$331</b>	<b>\$457</b>	<b>\$525</b>	<b>\$620</b>	<b>\$711</b>
<b>Cumulative Shortfall</b>	<b>(\$81)</b>	<b>(\$158)</b>	<b>(\$246)</b>	<b>(\$308)</b>	<b>(\$385)</b>	<b>(\$464)</b>
<b>*\$62M earmarked for AT/FP removed in FY02</b>						
<b>**FY03 reduced \$30M for DERF</b>						

# ***Outfitting Issues/Concerns***

- **Requirements increase in the two years after POM funding set**
  - **Mainly in Site COSAL Maintenance**
  - **Results in unfunded requirements**
- **Courses of action**
  - **Request more funding**
    - ✓ ***NAVSEA's Top 10 list for Mid-year Review***
    - ✓ ***Execution year supplemental funding not likely***
  - **Shift requirements into first year of POM**

# ***Recommendations***

- **Maritime Allowances Working Group**
  - **Reduce churn in execution year...reduce Site COSAL Maintenance requirement**
  - **Reinstate forum...Fleets, OPNAV N4/N7, NAVSEA**
  - **Address reprioritizations and trade-offs**
  - **Identify requirements to shift into first year available for funds programming**
  - **Reduce No Money File...recognized in BAM-04, but hard to justify**